

## **Script – All Stores**

(Store Manager will meet with store associates during store huddle and individually with those associates not present on day of announcement)

Good Morning

Throughout the year, we have all worked hard to help the new Transformco realize several important business objectives for our Sears and Kmart brands. We have made strides in our efforts to improve our member experiences. Both formats have improved their NPS scores over last year and it validates how hard our teams have worked at maintaining store standards and serving our members.

At the same time, Transformco has faced challenges since the purchase of substantially all of the assets of Sears Holdings Corporation in February. These challenges have unfortunately affected performance and limited the company's strategic choices.

This brings me to a very tough conversation. The decision has been made to close our store. I can assure you that this decision is one that was taken very seriously, however, after exhaustive discussions and weighing all the options, this store will begin the liquidation process shortly.

One of the first steps will be with preparations for a "going out of business" sale. A liquidating consultant will be arriving at the store on Friday, November 15, 2019, with a pre-sale starting on November 17<sup>th</sup>. Liquidation will begin on December 2, 2019. This store is expected to remain open until February 2020.

This, I realize, is difficult news to hear, just as it was a difficult decision to make. All of us within the Company recognize that a store closing impacts many people – associates, managers, and their families, as well as our members, and our local community.

Taking care of members continues to be very important. Until you are told differently we plan to operate business as usual with no changes to our established hours, policies, or procedures.

Our goal is open honest communication. Within the next two weeks, a Market or Regional Representative will be coming to our store to address our closing specifics and to answer any questions you may have. In addition the Market or Regional Representative will distribute to each of you a written notice informing you of the store closing. You will be asked to sign this notice indicating you have been informed.

I want to thank you for all of your dedicated service to this store and express our appreciation of all of your contributions.

At this point I will open the floor to questions.